

STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES
Land Division
Honolulu, Hawaii 96813

December 9, 2010

Board of Land and Natural Resources
State of Hawaii
Honolulu, Hawaii

Ref. No.: RPS-7464
PSF No.: 10HD-187

HAWAII

Termination of Revocable Permit No. S-7464 to Community Development Institute-Head Start (CDI HS); Issuance of Revocable Permit to Parents and Children Together (PACT), for Day Care Purposes, Keauhou 1st, North Kona, Hawaii, Tax Map Key: 3rd/ 7-8-007: portion of 028.

APPLICANT:

Parents and Children Together, a domestic non-profit corporation.

LEGAL REFERENCE:

Section 171-43.1, Hawaii Revised Statutes, as amended.

LOCATION:

Portion of Government lands of Keauhou School Lot, Cottages 2 & 3, situated at Keauhou 1st, North Kona, Hawaii, identified by Tax Map Key: 3rd/ 7-8-007: portion of 028, as shown on the attached map labeled Exhibit A.

AREA:

.045 acres (1,960 s.f.), more or less.

ZONING:

State Land Use District: Rural
County of Hawaii CZO: RA-.5a

TRUST LAND STATUS:

Section 5(a) lands of the Hawaii Admission Act

DHHL 30% entitlement lands pursuant to the Hawaii State Constitution:

YES _____ NO x

CURRENT USE STATUS:

Encumbered by Revocable Permit No. S-7464, Community Development Institute-Head Start, Permittee, for Day Care purposes.

Revocable Permit No. S-4964 to Hawaii County Economic Opportunity Council, Permittee, for senior citizen, youth, and community activities purposes.

CHARACTER OF USE:

Day Care purposes.

COMMENCEMENT DATE:

November 1, 2010.

MONTHLY RENTAL:

Pursuant to HRS 171-43.1, and the minimum rent policy established by the Board at its meeting of May 13, 2005, under agenda item D-19, the annual rent will be set at \$480.00, or \$40 per month.

COLLATERAL SECURITY DEPOSIT:

Twice the monthly rental.

CHAPTER 343 - ENVIRONMENTAL ASSESSMENT:

See Exemption Notification attached below as **Exhibit B**.

DCCA VERIFICATION:

Place of business registration confirmed:	YES <u> x </u>	NO
Registered business name confirmed:	YES <u> x </u>	NO
Applicant in good standing confirmed:	YES <u> x </u>	NO

REMARKS:

The subject parcel was originally encumbered under Executive Order No. 479, dated April 17, 1931, to the Department of Public Instructions, for Keauhou School Lot.

At its meeting of September 12, 1969, under agenda Item F-9, the Board of Land and Natural Resources, approved of and voted to recommend to the Governor issuance of an executive order canceling Executive Order No. 479 (Keauhou School/ Department of Education) for the reason that the Keauhou School and grounds were no longer being utilized for school purposes.

At its meeting of December 14, 1973, Item F-7, the Board of Land and Natural Resources approved the issuance of a revocable permit to the Hawaii County Economic Opportunity Council (HCEOC) for Day Care purposes. Over the past 35 years, the bond requirement was waived and the permit was issued at gratis.

At its meeting of May 8, 2009, under agenda item D-6, the Board of Land and Natural Resources approved the termination of Revocable Permit No. S-5110 to HCEOC and issued Revocable Permit No. S-7464 to CDI-Head Start. At time of approval, it was explained that the Federal Office of Head Start appointed CDI-Head Start only as an interim operator until a permanent operator is identified.

By letter dated October 10, 2010, Terri Wolf, CDI Head Start Fiscal Coordinator, requested to terminate Revocable Permit No. S-7464 and to issue a new revocable permit to Parents and Children Together (PACT) for Day Care purposes. CDI-Head Start will be relinquishing operations effective October 31, 2010 as it has designated PACT, a Hawaii non-profit as the permanent operator of the Head Start program. PACT will assume management of the operations commencing on November 1, 2010. PACT has been operating day care programs on the Island of Oahu at various schools and other sites since 1968. It has a current operating budget of \$2.7 million. PACT provided staff with a copy of its Internal Revenue Service determination letter dated June 29, 2000, confirming PACT's Section 501(C)(3) status.

Due to the short notice staff received of the request for a new revocable permit and to assist CDI HS and PACT with a transparent transition for its clients, staff is recommending that PACT be allowed to occupy the property and resume its operation of the day care program under an immediate management right-of-entry effective November 1, 2010, prior to completion of the revocable permit document.

The proposed use is allowable in the county zoning, which is RA-.5a.

PACT has not had a lease, permit, easement or other disposition of State lands terminated within the last five years due to non-compliance with such terms and conditions.

On October 15, 2010, various government agencies and interest groups were solicited for comments. To date, only the County Planning Department and Department of Public Works responded, having no objections to the request.

RECOMMENDATION: That the Board:

1. Declare that, after considering the potential effects of the proposed disposition as provided by Chapter 343, HRS, and Chapter 11-200, HAR, this project will probably have minimal or no significant effect on the environment and is therefore exempt from the preparation of an environmental assessment;
2. Authorize the termination of Revocable Permit No. S-7464 to the CDI-Head Start, effective October 31, 2010;
3. Authorize the issuance of a revocable permit to Parents and Children Together (PACT), covering the subject area for day care purposes under the terms and conditions cited above, which are by this reference incorporated herein and further subject to the following:
 - A. The standard terms and conditions of the most current revocable permit form, as may be amended from time to time;
 - B. The commencement date of this permit shall be November 1, 2010;
 - C. Review and approval by the Department of the Attorney General; and
 - D. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.
4. Grant an Immediate Management Right-of-Entry to PACT, its contractors, consultants, and/or persons acting for or on its behalf, subject to the following terms and conditions:
 - A. The standard terms and conditions of the most current management right-of-entry document form, as may be amended from time to time;
 - B. This right-of-entry is effective November 1, 2010 and shall terminate upon execution of the revocable permit document;

- C. Such other terms and conditions as may be prescribed by the Chairperson to best serve the interests of the State.

Respectfully Submitted,



Wesley T. Matsunaga
Land Agent

Ken

APPROVED FOR SUBMITTAL:



✓ Laura H. Thielen, Chairperson

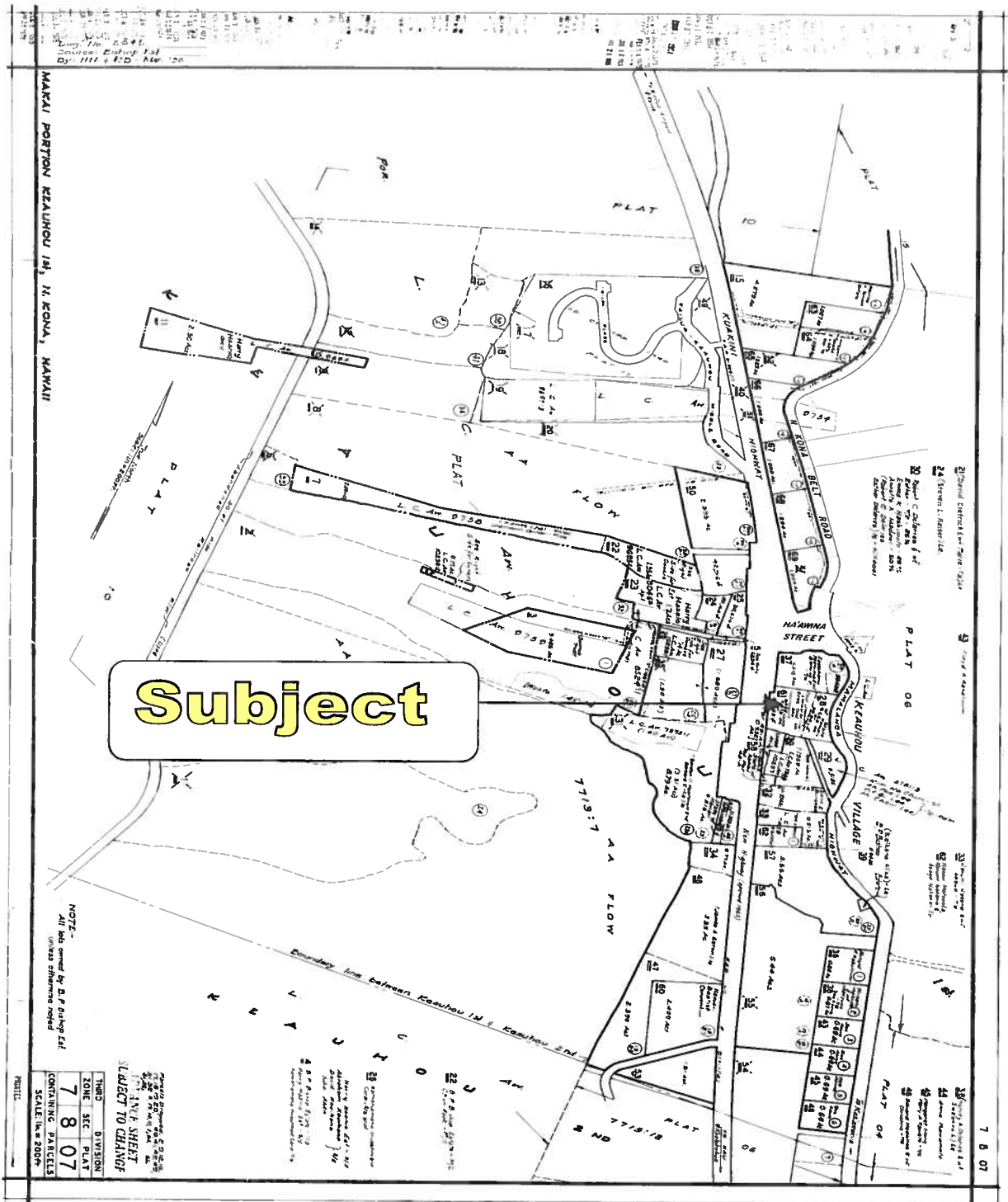
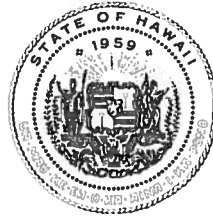


EXHIBIT A



LINDA LINGLE
GOVERNOR OF HAWAII

LAURA H. THELEN
CHAIRPERSON
BOARD OF LAND AND NATURAL RESOURCES
COMMISSION ON WATER RESOURCE MANAGEMENT



STATE OF HAWAII
DEPARTMENT OF LAND AND NATURAL RESOURCES

POST OFFICE BOX 621
HONOLULU, HAWAII 96809

December 9, 2010

EXEMPTION NOTIFICATION

Regarding the preparation of an environmental assessment pursuant to Chapter 343, HRS and Chapter 11-200, HAR

Project Title:	Issuance of revocable permit to Parents and Children Together for day care purposes.
Project / Reference No.:	PSF No.: 10HD-187
Project Location:	Keauhou 1 st , North Kona, Hawaii, Tax Map Key: 3 rd / 7-7-007: portion of 28.
Project Description:	Issuance of revocable permit for day care purposes.
Chap. 343 Trigger(s):	Use of State Lands.
Exemption Class No. and Description:	In accordance with the Division of Land Management Environmental Impact Statement Exemption List, approved by the Environmental Council and dated April 28, 1986, the subject project is considered to be exempt from the preparation of an environmental assessment pursuant to: Exemption Class No. 1, which states, "Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing."
Exemption Item Description from Agency Exemption List:	Operations, repairs or maintenance of existing structures, facilities, equipment or topographical features, involving negligible or no expansion or change of use beyond that previously existing.
Consulted Parties:	The County of Hawaii, Planning Department was solicited for comments on the matter as a source authority having jurisdiction or expertise in this matter. The county had no

Recommendation:

comments to offer on the matter.

The subject area has been operating as a day care center under the Head Start program since 1973. It is recommended that the Land Board find that the issuance of a revocable permit for the same use is exempt from Chapter 343, HRS. The proposed use will probably involve negligible or no expansion or change in use beyond that previously existed and is presumed to be exempt from the preparation of an environmental assessment.

Laura H. Thielen, Chairperson

Date

EXHIBIT B